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IN THE
SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1973

No. 73-1804

WALT SHULTZ, d/b/a Walt Shultz Equipment Company, and McGRAW-EDISON COMPANY,
Petitioners,

vs.

ELTON M. MOORE,
Respondent.

BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

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To the Honorable, the Chief Justice and the Associate Justices of the Supreme Court of the United States:

Elton M. Moore, respondent herein, prays that the petition for writ of certiorari filed herein by Walt Shultz, d/b/a Walt Shultz Equipment Company, and McGraw-Edison Company, petitioners, be denied.

OPINION BELOW

The opinion of the Court of Appeals for the Tenth Circuit is found in the April 8, 1974, advance sheets for the Federal Reporter and cited as *Moore* v. *Shultz*, 491 F.2d 294 (1974).

QUESTIONS PRESENTED FOR REVIEW

(1) Whether the statement of the United States Court of Appeals for the Tenth Circuit that "non-obviousness is itself a factual question" is essential to the decision reached by that Court.

(2) Whether this case is the proper case in which the Supreme Court of the United States should determine whether "obviousness" is a question of law or fact.

(3) Whether or not the question of obviousness was involved in the judgment of the Trial Court.

(4) Whether or not the petitioners are estopped to challenge the propriety of the instructions given the jury in the District Court.

COUNTER-STATEMENT OF THE CASE

The statement of the case appearing on pages 3 and 4 of the Petition is essentially correct but incomplete as to the issues involved herein. It should be emphasized that all of the interrogatories which were presented to the jury, and in particular Interrogatory No. 2 that

relates to the question of obviousness, were prepared by the petitioners and submitted to the jury in that form. Never once did the petitioners suggest that the interrogatory on the question of obviousness was not a proper interrogatory to be submitted to the jury.

ARGUMENT

PROPOSITION I.

THE ERROR, IF ANY, WOULD NOT AFFECT THE DECISION OF THE COURT OF APPEALS.

The petitioners correctly note that the United States Court of Appeals for the Tenth Circuit stated that non-obviousness is itself a factual question. The petitioners are also essentially correct in noting that certain other circuits have held that obviousness is a question of law; however, it is believed that the petitioners have improperly included the Fourth, Fifth and Sixth Circuits in the latter grouping.

As far as the Fourth Circuit is concerned, the case relied upon by the petitioners, *Blohm & Voss A. G.* v. *Prudential-Grace Lines, Inc.*, 489 F.2d 231, does not stand for the proposition that the Fourth Circuit is holding, or has held, that non-obviousness is a question of law; what the Court did actually say was that "the ultimate legal question of validity, and it is clear that it is, in the final analysis, a question of law". In the case of

Mahaffy & Harder Co. v. *Standard Packaging Corp.*, 389 F.2d 525 (4th Cir. 1968), the Court of Appeals for the Fourth Circuit clearly stated that statutory obviousness is a question of fact (389 F.2d 530). In the case of *Porter-Cable Machine Co.* v. *Black & Decker Mfg. Co.*, 402 F.2d 517 (4th Cir. 1968) the Court of Appeals for the Fourth Circuit again clearly stated that obviousness was a question of fact.

As far as the Fifth Circuit is concerned, the Court held in *Ag Pro, Inc.* v. *Sakraida*, 474 F.2d 167 (5th Cir. 1973) that non-obviousness rests on several basic factual inquiries; again in the decision of *Laitram Corp.* v. *Deepsouth Packing Co., Inc.*, 443 F.2d 928 (5th Cir. 1971), the Court held that obviousness was a mixed factual-legal determination.

As far as the Sixth Circuit is concerned, that Court held in *Schnadig Corp.* v. *Gaines Manufacturing Co., Inc.*, 494 F.2d 383 (6th Cir. 1974) that findings bearing upon non-obviousness are subject to the clearly erroneous rule.

In the decision in this case, *Moore* v. *Shultz*, supra, the United States Court of Appeals for the Tenth Circuit noted at 491 F.2d 299:

> "The interrogatories two through seven submit the other particular reasons advanced by defendants to show the plaintiff's patent to be invalid. These include, as reference to the interrogatories

will show obviousness, lack of novelty, prior public use, prior knowledge, prior publication, and prior invention. The defendants had the burden of proof by clear and convincing evidence as to each.

* * *

"It must be held that as to each of the elements of the defense directed to the validity of the patent, the defendants failed to carry their burden." (Emphasis added.)

Whether obviousness or non-obviousness is a question of fact or law, there seems to be no contest as to the burden of proof of establishing obviousness. The burden was clearly on the defendants by clear and convincing evidence. The above quotation from the decision of the United States Court of Appeals for the Tenth Circuit shows that the Court held that the defendants failed to carry their burden. The decision was not bottomed on the premise that obviousness is a question of fact. Thus, the error, if any, would not change the decision of the Tenth Circuit Court of Appeals, nor have the petitioners even argued that it would.

PROPOSITION II.

THE SUPREME COURT OF THE UNITED STATES SHOULD NOT GIVE MERELY ADVISORY OPINIONS.

Since, as indicated above, the decision of the United States Court of Appeals for the Tenth Circuit would not be changed depending upon whether obviousness is a question of law or fact, the petitioners, in effect are asking the Supreme Court of the United States to render an advisory opinion. However, it has long been held that the United States Supreme Court is without power to give advisory opinions. *Alabama State Federation of Labor* v. *McAdory*, 325 U.S. 450; *Asbury Hospital* v. *Cass County, N.D.*, 326 U.S. 207.

PROPOSITION III.

THE TRIAL COURT MADE NO RULING ON THE QUESTION OF OBVIOUSNESS.

The petitioners would have this Court believe that the Trial Court as a matter of law, overruled the jury on Interrogatory No. 2 which relates to the question of obviousness. No such ruling was ever made by the Trial Court.

After the Trial Court ordered a new trial (for the first time) on November 2, 1971, the plaintiff filed a motion requesting that the Court state the grounds for

granting a new trial; the Trial Court never ruled on the latter motion. After the Trial Court entered its order granting a new trial (for the second time) and granting the defendants' motion for judgment n.o.v. on August 23, 1972, the plaintiff filed a motion under Rules 52b and 59 on August 31, 1972, specifically requesting the Trial Court to state the reasons for granting judgment n.o.v. and for granting a new trial; the latter motion was denied on September 6, 1972, without giving any reasons therefor.

The final Judgment of the Trial Court filed August 23, 1972, (Appendix E attached to the Petitioner's Brief) merely shows that the reasons for granting the defendants' motion for new trial were "that the evidence is legally insufficient to support the jury's answers to Interrogatories 1 through 9" and "the jury's answers to Interrogatories 1 through 9 were against the weight of the evidence". (A third reason, not involved herein, relates to an alleged failure to instruct the jury regarding a date of conception.) However, bearing in mind that the burden of proof with regard to Interrogatory No. 2 was on the defendants, if the evidence was legally insufficient with respect to this interrogatory, then obviously the jury's answer to Interrogatory No. 2 was correct. The further statement that the jury's answer to Interrogatory No. 2 was "against the weight of the evidence" is not only inconsistent with the statement

that the evidence was "legally insufficient" but it does not define the burden of proof which the defendants must bear with respect to Interrogatory No. 2. Plaintiff's motion under Rules 52b and 59, referred to above, which was filed on August 31, 1972, requested the Court to state the grounds upon which he was entering judgment for defendants n.o.v. and granting a new trial for the specific purpose of clearing up the obvious ambiguities in the final order of the Court. But, as indicated heretofore, this motion was denied. Thus, the record of this case before the Trial Court does not support the petitioners' contention that the Trial Court decided that the invention was obvious after the jury found that it was unobvious.

PROPOSITION IV.

THE DEFENDANTS ARE ESTOPPED TO CHALLENGE INTERROGATORY NO. 2 AND ITS SUBMISSION TO THE JURY.

The defendants are suggesting that Interrogatory No. 2 which was submitted to the jury relates to a question of law and, presumably, should *not* have been presented to the jury. However, the record of the case below will show that all ten interrogatories as submitted to the jury were prepared by the defendants. No objection was ever made by the defendants that Interrogatory No. 2 should not have been submitted to the jury.

It might also be pointed out that *Interrogatory No. 2* was the only interrogatory bearing on the issue of obviousness; the defendants did not see fit to direct a separate interrogatory on the scope and content of the prior art, or a separate interrogatory on the differences between the prior art and the claims at issue, or, finally, a separate interrogatory directed to the level of ordinary skill in the pertinent art.

Accordingly, it is believed that the defendants should not now be heard to complain that the jury rendered a verdict on an interrogatory which was prepared by the defendants and presented to the jury in that form to render a verdict thereon.

CONCLUSION

For the foregoing reasons the Petition for Writ of Certiorari should be denied.

Respectfully submitted,

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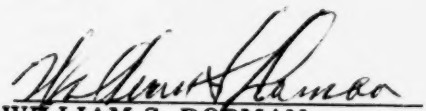
CERTIFICATE OF SERVICE

This is to certify that three copies of the foregoing Brief in Opposition to Petition for Writ of Certiorari were mailed first-class postage prepaid to each of the attorneys for petitioner, namely Jerry J. Dunlap, 219 Couch Drive, Oklahoma City, Oklahoma 73102, and Charles A. Prudell and Charles F. Lind, 333 West River Road, Elgin, Illinois 60120 on this 24 day of June, 1974.



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